

covered in each of the species.” MPEP §806.04 (d). In calling attention to the generic claims of the present invention, the Applicant submits that Figure 2 and Figure 5 are not representations of patentably distinct species as per MPEP §806.05 - §806.05 (i), and would not support separate patents. MPEP §803.

If the Examiner finds the above argument unpersuasive, the Applicant submits that, “If the search and examination of an entire application can be made without serious burden, the examiner must examine it on the merits, even though it includes claims to independent or distinct inventions.” MPEP §803.

Rejection of Claims 1 – 6 and 17 - 20 Under 35 U.S.C §102(b)

Claims 1 – 6 and 17 - 20 have been rejected under 35 U.S.C. §102(b) as allegedly being anticipated by Kemp, “Discover Debuts Its First Platinum Card.”

The Examiner has taken the position that “Kemp discloses a system for distributing payment vehicles comprising: payment rights such as a rebate for an owner of a Discover card entitled to receive a refund from the Discover card company; a sponsor of spending vehicles, such as gift certificates, being the Discover card company, said gift certificates redeemable at one of Discover's Platinum Partners; an assignment of payment rights, such as the rebate entitlement, by the owner of the credit card back to the Discover card company in return for which the Discover card company issues spending vehicles back to the card owner in an amount related to the assigned payment rights.”

Applicant has amended independent claim 1 to incorporate the limitation of claim 5, including a payor in the system for distributing spending vehicles. Claim 5 has been cancelled.

Applicant has cancelled claims 17 – 20 without prejudice.

— NOT DONE

Applicant respectfully submits that the Kemp reference fails to anticipate or render obvious the present invention as reflected in the amended claims.

In this regard, Applicant respectfully directs the Examiner's attention to the Kemp reference at paragraph 4 of the "BODY:", where Kemp teaches:

The company's Cashback Bonus awards, under which cardmembers can get a check for up to 1 percent of their annual purchase totals, have long been a pillar of the company's marketing strategy for its regular Discover Card. Holders of the new Platinum Card will have the same option of either getting a 1 percent cash-back check or donating the refund to charity, but with the added alternative of receiving a gift certificate worth double the 1 percent reward. The certificates can be redeemed at one of Discover's Platinum Partners, a group of as-yet-undisclosed nationwide merchants from varied product categories.

The Kemp reference teaches that the payment right is generated from a rebate calculated as a percentage of the cardmember's annual purchase total using the Discover Card. In contrast, the present invention in independent claim 1 is distinguished by a payment right arising from a payment coming from a payor. The assignment directs payment from the payor to a sponsor or financial institution. The payment from the payor may be any of many various types of payments, such as part of a regular, periodic or special one-time entitlement, distribution, dividend, income stream, refund, deposit, or installment payment.

Applicant thus respectfully submits that the outstanding rejections may be properly withdrawn with respect to these claims.

Rejection of Claims 7 - 16 Under 35 U.S.C. §102(b)

Claims 7 – 16 have been rejected under 35 U.S.C. §102(b) as allegedly being anticipated by Kemp, "Discover Debuts Its First Platinum Card."

The Examiner has taken the position that "Kemp inherently discloses a method of performing the system for distributing payment vehicles outlined above."

Applicant has amended independent claim 7 to incorporate the limitation of claim 11, including a step of transferring a payment to an assignee in the method for distributing spending vehicles. Claim 11 has been cancelled.

Applicant has cancelled claims 13 – 16 without prejudice.

NOT DONE

Applicant respectfully submits that the Kemp reference fails to anticipate or render obvious the present invention as reflected in the amended claims.

The Kemp reference teaches that cardmembers have the alternative of receiving a gift certificate which can be redeemed at one of Discover's Platinum partners, a group of as-yet-undisclosed nationwide merchants. The Kemp reference does not specify the manner in which Discover Financial Services will procure the gift certificates. In contrast, the present invention describes a system and method in which payment for a spending vehicle or alternative to cash payment is conveyed to an assignee that will cause the sponsor to issue the spending vehicle or alternative to cash payment. Specifically, the method in amended claim 7 includes transferring a payment to an assignee.

Applicant thus respectfully submits that the outstanding rejections may be properly withdrawn with respect to these claims.

CONCLUSION

Claims 1 - 20 were pending in the application.

Claims 1, 7, and 12 have been amended.

Claims 5 and 11 have been cancelled.

Claims 13 – 20 have been cancelled without prejudice. — *NOT DONE*

No claims have been added.

As a result of the foregoing amendment, claims 1 – 4, 6 – 10, and 12 that read upon the invention shown in Figures 1, 2, and 5 are pending in the present application. The Applicant has distinguished the present invention from the prior art reference cited by the Examiner.

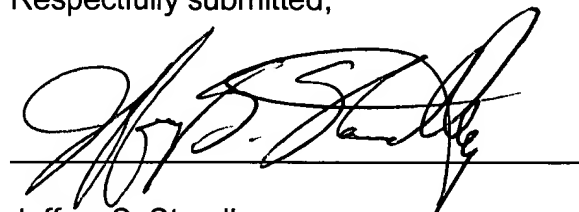
Attached hereto is a marked-up version of any changes made to the claims by the current amendment. The attached page is captioned "Version With Markings To Show Changes Made."

In light of the foregoing amendments and remarks, the Applicant respectfully submits that the present application is now in condition for allowance, and such action is earnestly requested.

Respectfully submitted,

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Version With Markings To Show Changes Made

The Attorney Docket Number is ~~BLO 1134-014~~ BLO 1565-002.

In the Specification:

The eighth paragraph under the heading, "DETAILED DESCRIPTION OF PREFERRED EMBODIMENT(S)" has been amended as follows:

As shown in Fig. 3, a financial institution 56 may work with a plurality of sponsors 62, 68, 74 so that an individual 50 is provided with several options for selecting a spending vehicle. The financial institution 56 may arrange to obtain a plurality of spending vehicles 60, 66, 72 from a plurality of sponsors 62, 68, 74. As indicated above, the spending vehicles 60, 66, 72 may be credit cards, debit cards, cash cards, checking cards, spending accounts, checking accounts, electronic spending accounts, coupons, vouchers, discount certificates, or rebate certificates. The individual 50 assigns his or her payment rights 52 to a financial institution 56 and selects one or more spending vehicles 54 from one or more of the sponsors 62, 68, 74. The individual may assign the full or less the full amount of the payment to the financial institution. The financial institution may arrange to receive the appropriate amount of the individual's payment 78 by providing payment information 80 to the third party payor 76 from whom the individual is entitled to receive a payment. As indicated above, the payor 76 may be a governmental agency, an employer, or any institution that provides payments to individuals in accordance with instructions from a governmental agency, corporation, organization, employer, etc. The payment 78 may be a Social Security check, 401(k) distribution, dividend payment, tax refund, etc. The financial institution 56 may then arrange to transfer to each participating sponsor 62, 68, 74 all or a portion of the

individual's payment 78. The financial institution 46 56 may keep a portion of each individual's payment as a fee for allowing sponsor participation. Preferably, the value of the spending vehicle 44 54 selected by the individual 40 50 exceeds the value of the payment right 42 52 transferred to the financial institution. In this arrangement, individuals benefit from the increased spending power available from the various sponsors. While financial institutions may be beneficial to the process of the present invention, they are not essential.

The eleventh paragraph under the heading, "DETAILED DESCRIPTION OF PREFERRED EMBODIMENT(S)" has been amended as follows:

Fig. 5 shows another embodiment of the present invention in which a particular third party spending vehicle provider is not necessary. Instead, a financial institution 116 (perhaps the bank where the individual banks), for example, issues a spending vehicle 114 directly to the individual 110 that may be used at many different outlets for the purchase of goods and or services. In return for the spending vehicle 114, the individual 110 assigns payment rights 112, which may be any amount equal to or less than the amount of the payment, directly to the financial institution 116. The financial institution 116 receives the appropriate amount for the individual's payment 120 from the third party payor 118 after providing necessary payment information 442 122 to the payor 118. The payment information may include name and account information so that an electronic funds transfer may be completed.

In the Claims:

Claim 1 has been amended as follows:

1. (amended) A system for distributing spending vehicles, comprising:

payment rights for an individual entitled to receive a payment;

a sponsor of spending vehicles;

an assignment of said payment rights; ~~and~~

a payor for transferring a payment to an assignee in accordance with said assignment of payment rights; and

a spending vehicle issued from said sponsor to said individual in an amount related to said assigned payment rights.

Claim 5 has been cancelled.

Claim 7 has been amended as follows:

7. (amended) A method for distributing spending vehicles, comprising the steps of:

assigning to a sponsor payment rights for an individual entitled to receive a payment; ~~and~~

issuing a spending vehicle from said sponsor to said individual in an amount related to said assigned payment rights; and

transferring a payment to an assignee in accordance with said assignment of payment rights.

Claim 11 has been cancelled.

Claim 12 has been amended as follows:

12. (amended) The method of claim 6 7 wherein the step of issuing a spending vehicle comprises the step of issuing a spending vehicle with a value in excess of the value of said assigned payment rights.